MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2022/2023

UTS2612 – INTERNATIONAL TRADE AND SHIPPING LAW

(All Sections / Groups)

06 OCTOBER 2023

Reading Time: 9.00 a.m. – 9.15 a.m.
(15 Minutes)
Answering Time: 9.15 a.m. – 12.15 p.m.
(3 Hours)

INSTRUCTIONS TO STUDENT

1. Students will have **fifteen minutes** during which they may read the paper and make rough notes ONLY in the question paper. Students then have the remaining **THREE HOURS** in which to answer the questions.

2. This Question paper consists of 3 pages with 5 Questions only.

3. This Question paper consist of 2 Parts (Part A and Part B). Attempt ONE question only in Part A and all THREE questions in Part B. All questions carry equal marks and the distribution of the marks for each question is given.

4. Students are only allowed to bring in a CLEAN and ORIGINAL COPY of the following statutes into the exam venue:

   i. Merchant Shipping Ordinance 1952
   ii. Carriage of Goods by Sea Act 1950
   iii. Reciprocal Enforcement of Judgments Act 1958
   iv. United Nations Convention on Contracts for the International Sale of Goods (CISG)

   "Clean" is defined to include no tagging, no annotation either by the publisher or anyone else, and no erased marking. Highlighting and underlining are also prohibited.

5. Please write all your answers in the Answer Booklet provided.

PART A

ANSWER ANY **ONE (1)** QUESTION ONLY

QUESTION 1A

(i) Messrs. Johan & Partners were contacted by the Windsor Shipping Pte. Ltd., for the registration of one of its ships in Malaysia.
As an admiralty lawyer of Messrs. Johan & Partners, with reference to the Merchant Shipping Ordinance 1952 clarify to Windsor Shipping Ptd. Ltd., on the ship registration in Malaysia.

(10 marks)

(ii) Present the factors to be considered in forming the shipbuilding contracts. Support your answer with case law and relevant legal principles.

(15 marks)

(Total: 25 marks)

OR

QUESTION 1B

(i) Indicate what is a maritime lien. Orgnise the differences of maritime liens from other types of maritime claims.

(15 marks)

(ii) Relate the different types of marine insurance.

(10 marks)

(Total: 25 marks)

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PART B

ANSWER **ALL** QUESTIONS

QUESTION 2

The seller, Rubber Solid Inc. is a tyre manufacturer based in Canada. The buyer, Dynamic Truck is a tyre distributor from Sweden. In September 2022 they signed an agreement for the delivery of 3000 winter tyres for heavy trucks. The contract was concluded by email. Having received the buyer's acceptance, the seller made a reference in its final email to its standard contract terms, but the buyer never acknowledged this.

The standard contract terms stipulate that the tyres are of 'average quality' and will be delivered unless otherwise agreed. The tyres were delivered with cost, insurance and freight (CIF) Stockholm in December 2022 but were not delivered until January 2023. Upon delivery, the goods were transferred to the buyer's warehouse where they were not inspected until February 2023 when it was discovered as follows:

i) That 300 tyres are missing; and
ii) The rest of the tyres were not proper winter tyres. Therefore, not fit for harsh Scandinavian weather.

You are hired by Rubber Solid Inc. to illustrate on the following issues:

a) Would the United Nations Convention on Contracts for the International Sale of Goods (CISG) apply?

(5 marks)

b) Were the seller's standard contract terms incorporated in the contract?

(10 marks)

c) Assuming the CISG applies, does the seller fulfill all its obligations?

(10 marks)
(Total: 25 marks)

QUESTION 3

SuperMax Shipyard Company, a company incorporated under the laws of United Kingdom entered into a contract to build an oil-tanker for Antah Berhad, a company incorporated under the laws of Malaysia. Their contract stipulated that in case of any dispute the parties are to litigate the matter in the High Court of Hong Kong. After the contract was completed and SuperMax Shipyard Company had begun construction, the global economy was affected by the Post COVID-19 Pandemic due to the shortage of manpower. Antah Berhad were unable to secure oil and gas transportation contracts from other oil and gas companies, thus filed for winding-up. As such, Antah Berhad cancelled the shipbuilding contract with SuperMax Shipyard Company. SuperMax Shipyard Company then sued Antah Berhad in Hong Kong according to the provisions of the contract. The High Court judge in Hong Kong rendered RM80 million Ringgit judgment in favour of SuperMax Shipyard Company. Due to Antah Berhad's winding-up proceeding, Antah Berhad no longer has any assets in Malaysia.

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However, based on the creditor's inventory list Antah Berhad still has a bank account in a Malaysian bank worth RM50 million Ringgit and an office building in Petaling Jaya worth RM30 million Ringgit. SuperMax Shipyard Company has retained you as its Malaysian Counsel.

Compute to SuperMax Shipyard Company, on how it can, to enforce the Hong Kong Judgment in Malaysia.

(Total:25 marks)

QUESTION 4

(a) Show the differences between salvage and towage contracts.

(15 marks)

(b) Discover the situation where towage contract can be changed to salvage contract.

(10 marks)
(Total: 25 marks)

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